

This is a comment in response to CC Docket No. 02-53

I agree with the petitioner (CompTel) that it is long overdue for PIC-change charges to be revisited by the FCC, and for the charges to be adjusted downwards.

Consumers do not always recoup the PIC-change charge from the IXC they are changing to. This is especially true when switching to a smaller IXC or reseller. Therefore the PIC-change charge may discourage consumers from switching to a more competitive IXC provider.

The best course of action for the FCC to take, in the spirit of encouraging competition in the IXC marketplace (and being pro-competitive), would be to entirely eliminate LEC charges for PIC-changes. Barring that, the FCC should lower the fee as much as possible.

The cost of the LEC making a PIC-changes is very minimal (as pointed out in the proposed rulemaking, it being an entirely automated process.) The per-change costs for a PIC-change is no different whether the consumer makes a 'few' or 'excessive' number of changes. Each instance of a PIC-change involves the same transaction on part of the LEC.

This rulemaking order should apply to both Intra-LATA and Inter-LATA PIC-changes. Many LATAs cover inter-state calling and would fall within the FCCs jurisdiction (i.e. New York LATA 132 covers New York and Connecticut.) This rulemaking should also cover both ILECs and CLECs. PIC-changes cost is not a factor most consumers consider when choosing a LEC. It is only realized by the consumer at the time of switching IXCs. Therefore CLECs would have no incentive to lower their PIC-change fees, as it would not be a competitive concern to them. This point also demonstrates that PIC-change charges are not controlled by market forces.

This rulemaking should indicate that the party requesting the PIC-change would be billed for it. This would entail that if the PIC-change order is submitted to the LEC by an IXC, the IXC would be directly billed for the PIC-change, instead of the consumer. (Currently this is offered on an optional basis in certain jurisdictions, but it should be made mandatory.) This action would too promote competition. I would further encourage the FCC to have the LECs directly bill the IXC for the PIC change even if the consumer contacts the LEC directly to make the PIC-change.

Sincerely,

--Joseph Friedman